

**QUEENSLAND GAS COMPANY LIMITED**

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ASX ANNOUNCEMENT**WEEKLY DRILLING REPORT**

(as at 6.00am on 23 January 2007)

Kenya #9 in PL 228**Spud Date** 14 January 2007**Permit** PL 228 in which QGC holds a 59.375% interest and Origin Energy CSG Limited holds 40.625% interest.**Location** Latitude: 26° 55' 15" S Longitude: 150° 25' 39" E**Rig** Ensign Rig #34

This well is the ninth in a ten well program to provide gas to meet the contractual obligations of the Incitec Pivot Limited Gas Sales Agreement. The well is designed to access both the Juandah and Taroom Coal Measures for immediate production.

Objective Kenya #9 reached a total depth of 688.0m after intersecting 27.2m of gassy coal in the Juandah and Taroom Coal Measures.

After wireline logging, all significant seams in the Juandah and Taroom Coal Measures were underreamed and 7" pre-perforated casing set across the Juandah Coal Measures.

Current Operations The well is currently suspended awaiting a workover rig to drill out the plug and clean out the well before running the pump.

Kenya #7 in PL 228

Spud Date	20 January 2007
Permit	PL 228 in which QGC holds a 59.375% interest and Origin Energy CSG Limited holds 40.625% interest.
Location	Latitude: 26° 55' 17" S Longitude: 150° 25' 15" E
Rig	Ensign Rig #34
Objective	This well is the tenth in a ten well program to provide gas to meet the contractual obligations of the Incitec Pivot Limited Gas Sales Agreement. The well is designed to access both the Juandah and Taroom Coal Measures for immediate production. After reaching total depth and wireline logging, all significant seams in the Juandah and Taroom Coal Measures will be underreamed and 7" pre-perforated casing will be set across both the Juandah and Taroom Coal Measures.
Current Operations	The rig is currently logging after reaching a total depth of 672.0m.

Berwyndale South #56

Spud Date 18 January 2007

Permit PL 201 in which QGC holds a 90.0% interest and Sentient Gas Australia Pty Limited holds a 10.0% interest.

Location Latitude: 26° 55' 00" S Longitude: 150° 19' 19" E

Rig Australian Drilling Services Rig #6

This well is the fifth in an eight well program to provide additional deliverability to meet increased contractual obligations including the expanded Braemar Power Project contract. The well is designed to access both the Juandah and Taroom Coal Measures for immediate production.

Objective Berwyndale South #56 reached a total depth of 715.3m after intersecting 21.8m of gassy coal in the Juandah and Taroom Coal Measures.

After wireline logging, all significant seams in the Juandah and Taroom Coal Measures were underreamed and 7" pre-perforated casing will be set across both the Juandah and Taroom Coal Measures.

Current Operations The well is currently rigging up to run 7" production casing.

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